

**MINUTES OF THE  
GOVERNOR'S BOARD OF ECONOMIC DEVELOPMENT  
July 15, 2005 Meeting**

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<b>Members Present:</b>	Mel Lavitt, Cliff White, Jerry Oldroyd, Deb Tanzi, Joel Bradford, Gerald Sherratt, Richard Nelson, Malonai Hola, Mark Howell, DelLoy Hansen <b>By Phone -</b> Mary Draper, Bill Boyle
<b>Members Absent:</b>	Amy Rees-Lewis, Jack Brittain, and David Simmons
<b>Visitors:</b>	Brice Wallace, Glen Warchol, Stephanie Frohman, Jeff Edwards, and Neal Wilson
<b>Staff:</b>	Connie Gates, Martin Frey, Annette Babisz, Nicole Toomey Davis, Pat Vaughn, Linda Muir, Doug Clark, Mark Stromberg, Aaron Syrett, Karen Tafuri, and Dick Bradford

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**Welcome**

Acting Chairman DelLoy Hansen welcomed the GOED Board, staff, and guests. The Chairman took a roll call and determined that there was a full quorum and called the meeting to order at 4:00.

**Business Recruitment Committee Report**

Jerry Oldroyd reported the two projects that were presented to the committee on Tuesday had unanimous recommendations for the board. He explained that both were based on tax incentives and our ability to offer tax rebates. A company overview for Project Radical was discussed. The project is a company headquarters move and is a company that is being acquired by another public company. Combined they will have sales of approximately \$2 billion dollars and will employ approximately 7,000 employees. We are competing with Colorado for the project.

**MOTION: Richard Nelson moved to approve the motion for Project Radical as presented by Jerry Oldroyd; Gerald Sherratt seconded the motion; Motion carried.**

Project Seahorse was presented by Mark Howell who explained it is an existing company in Salt Lake that serves the medical markets around the world. The company is expanding to create between 100-250 jobs with average wages at 125% of the county median average. They are requesting one million dollars based on a 20% rebate for five years and 15% on the remaining five years. The expected 10- year revenue to the state is about \$9 million dollars.

**MOTION: Gerald Sherratt moved to approve the motion for Project Seahorse as presented; Debra Tanzi seconded the motion; Motion carried.**

Chairman Hansen asked the members to look at the minutes and correct any grammatical errors or omissions. Richard Nelson asked to be put on record that he is a board member of EDCUTAH and would not be a part of any contract negotiations between the State and the EDCUTAH outsource contract. Chairman Hansen asked for a motion to approve the minutes with the above stated additions to the minutes.

**MOTION: Debra Tanzi motioned to approve the minutes with the noted corrections; Mark Howell seconded the motion; motion carried.**

**Centers of Excellence Report**

Nicole Toomey Davis reminded everyone that there was one center that they originally anticipated approving that was pulled from the agenda. The Center is from the University of Utah and it will be their second year of funding for \$150,000. She explained the informal process that takes place with the COE Council and how they assess the projects each year, in order to get to a vote on which projects get funding. The voting process is different and not governed by statute---it is very informal. There was a nearly split vote with the review group on this center that was described earlier in the day. After a technical recount of the votes the final recommendation of the council was to fund the center. Richard Nelson is the only GOED board member on the COE Council and he expressed concern that the votes had changed. Mr. Nelson stated that he wanted to make sure that boards and councils are considered in the State's decision making and that they really matter, especially since the current checks and balances rely heavily on private sector boards such as the COE Council. He also wanted to make certain that an earlier email sent

to Nicole Davis would be circulated to the all GOED board members and COE Council, as it detailed why this was important to be discussed. Ms. Davis explained that she had consulted with Mike Brehm who is the Chair of SAC, and developed a process to correct the administrative error that caused the issue. Going forward, we will get a recommendation from the Council and take it to SAC for a full approval vote and have both of those going forward. Ms. Davis further explained that they were trying to resolve the issue of the split vote that came after the fact. Ms. Davis devised a process, which was to send out a summary of what had happened, what she thought was an administrative decision, and ask for feedback. Part of the feedback is Richard Nelson's email of concern where he asked for a re-vote. Everyone was given a copy of the email. She explained that she didn't get the email in time to do a full re-vote of the council. Therefore, the vote needs to be a go or no go today in this board meeting. It was determined that this was just an item of business today, and did not require a vote. However, Joel Bradford wanted vote to accept the COE for funding. Chairman Hansen asked the board members to affirm the decision to fund it or not. Richard Nelson said he was opposed, only because it devalues this board and accountability and it makes it meaningless for the council to have a vote. Joel Bradford suggested that the COE committee should take this on as a discussion for future legislative change.

**MOTION: Joel Bradford motioned to accept the GOED staff recommendation to fund the center; Cliff White seconded the motion; the voting on the COE issue was unanimous.**

Chairman Hansen complimented Martin Frey on the retreat and the comprehensive training that was provided. The members were reminded of their committee meeting assignments and meeting dates.

#### **Other Business**

The next meeting will be September 16, 2005

September 16, 2005 Agenda

Approval of August, 2005 minutes

Committee Reports

GOED Program Update

With no further business, Chairman Hansen adjourned the meeting.